

**Senate File 2350 - Introduced**

SENATE FILE 2350  
BY COMMITTEE ON HUMAN  
RESOURCES

(SUCCESSOR TO SSB 3168)

**A BILL FOR**

1 An Act relating to educational assistance programs administered  
2 by the college student aid commission for certain  
3 nurses, physician assistants, advanced registered nurse  
4 practitioners, doctors of nursing practice, and nurse  
5 educators.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 261.114, subsection 3, unnumbered  
2 paragraph 1, Code 2018, is amended to read as follows:

3 A program agreement shall be entered into by an eligible  
4 student and the commission when the eligible student begins  
5 the final year of study in an academic program leading to  
6 eligibility for licensure as a nurse practitioner or physician  
7 assistant. The commission shall not enter into any new  
8 program agreement under this section on or after July 1, 2018.  
9 Under the agreement, to receive loan repayments pursuant to  
10 subsection 5, an eligible student shall agree to and shall  
11 fulfill all of the following requirements:

12 Sec. 2. Section 261.114, subsection 8, Code 2018, is amended  
13 by striking the subsection.

14 Sec. 3. Section 261.114, subsection 10, Code 2018, is  
15 amended to read as follows:

16 10. *Trust fund established.* A rural Iowa advanced  
17 registered nurse practitioner and physician assistant trust  
18 fund is created in the state treasury as a separate fund under  
19 the control of the commission. The commission shall remit all  
20 repayments made pursuant to [this section](#) to the rural Iowa  
21 advanced registered nurse practitioner and physician assistant  
22 trust fund. All moneys deposited or paid into the trust fund  
23 are appropriated and made available to the commission to be  
24 used for meeting the requirements of [this section](#). Moneys in  
25 the fund up to the total amount that an eligible student may  
26 receive for an eligible loan in accordance with [this section](#)  
27 and upon fulfilling the requirements of [subsection 3](#) shall be  
28 considered encumbered for the duration of the agreement entered  
29 into pursuant to [subsection 3](#). Notwithstanding [section 8.33](#),  
30 any balance in the fund on June 30 of each fiscal year shall not  
31 revert to the general fund of the state, but shall be available  
32 for purposes of [this section](#) in subsequent fiscal years.  
33 Notwithstanding section 8.33, any balance in the fund on June  
34 30, 2023, shall not revert to the general fund of the state but  
35 shall be transferred to the health care loan repayment fund

1 established pursuant to section 261.116 to be used for purposes  
2 of the health care loan repayment program.

3 Sec. 4. Section 261.114, Code 2018, is amended by adding the  
4 following new subsection:

5 NEW SUBSECTION. 10A. This section is repealed July 1, 2023.

6 Sec. 5. Section 261.116, Code 2018, is amended to read as  
7 follows:

8 ~~261.116 Registered nurse and nurse educator~~ Health care loan  
9 forgiveness repayment program.

10 1. Definitions. For purposes of this section, unless the  
11 context otherwise requires:

12 a. "Advanced registered nurse practitioner" means a person  
13 licensed as a registered nurse under chapter 152 or 152E who  
14 is licensed by the board of nursing as an advanced registered  
15 nurse practitioner.

16 b. "Nurse educator" means a registered nurse who holds  
17 a master's degree or doctorate degree and is employed by a  
18 community college, an accredited private institution, or an  
19 institution of higher education governed by the state board  
20 of regents as a faculty member to teach nursing at a nursing  
21 education program approved by the board of nursing pursuant to  
22 section 152.5.

23 c. "Physician assistant" means a person licensed as a  
24 physician assistant under chapter 148C.

25 d. "Qualified student loan" means a loan that was made,  
26 insured, or guaranteed under Tit. IV of the federal Higher  
27 Education Act of 1965, as amended, or under Tit. VII or VIII  
28 of the federal Public Health Service Act, as amended, directly  
29 to the borrower for attendance at an approved postsecondary  
30 educational institution.

31 e. "Service commitment area" means a city in Iowa with a  
32 population of less than twenty-six thousand that is located  
33 more than fifty miles from a city with a population of fifty  
34 thousand or more.

35 2. Program established. A ~~registered nurse and nurse~~

1 ~~educator health care loan forgiveness repayment~~ program  
 2 is established to be administered by the commission.—The  
 3 ~~program shall consist of loan forgiveness for eligible~~  
 4 ~~federally guaranteed~~ for purposes of repaying the qualified  
 5 student loans for of registered nurses, advanced registered  
 6 nurse practitioners, doctors of nursing practice, physician  
 7 assistants, and nurse educators who practice full-time in a  
 8 service commitment area or teach in this state, as appropriate,  
 9 and who are selected for the program in accordance with this  
 10 section. For purposes of ~~this section~~, unless the context  
 11 otherwise requires, “~~nurse educator~~” means a registered nurse  
 12 who holds a master’s degree or doctorate degree and is employed  
 13 as a faculty member who teaches nursing as provided in 655  
 14 IAC 2.6(152) at a community college, an accredited private  
 15 institution, or an institution of higher education governed by  
 16 the state board of regents. An applicant who is a member of  
 17 the Iowa national guard is exempt from the service commitment  
 18 area requirement, but shall submit an affidavit verifying the  
 19 applicant is practicing full-time in this state.

20 ~~2.~~ 3. Application requirements. Each applicant for loan  
 21 ~~forgiveness repayment~~ shall, in accordance with the rules of  
 22 the commission, do the following:

23 a. Complete and file an application for ~~registered nurse~~  
 24 ~~or nurse educator loan forgiveness repayment.~~ The individual  
 25 shall be responsible for the prompt submission of any  
 26 information required by the commission.

27 b. File a new application and submit information as  
 28 required by the commission annually on the basis of which  
 29 the applicant’s eligibility for the renewed loan ~~forgiveness~~  
 30 repayment will be evaluated and determined.

31 c. Complete and return, on a form approved by the  
 32 commission, an affidavit of practice verifying that the  
 33 applicant is a registered nurse, an advanced registered nurse  
 34 practitioner, a doctor of nursing practice, or a physician  
 35 assistant who is practicing full-time in a service commitment

1 area in this state or is a nurse educator teaching at a  
 2 community college, an accredited private institution, or an  
 3 institution of higher learning governed by the state board of  
 4 regents who teaches full-time in this state. If practice in a  
 5 service commitment area is required as a condition of receiving  
 6 loan repayment, the affidavit shall specify the service  
 7 commitment area in which the applicant is practicing full-time.

8 ~~3.~~ 4. Loan repayment amounts.

9 ~~a.~~ The annual amount of registered nurse loan forgiveness  
 10 ~~for a registered nurse who completes a course of study, which~~  
 11 ~~leads to a baccalaureate or associate degree of nursing,~~  
 12 ~~diploma in nursing, or a graduate or equivalent degree in~~  
 13 ~~nursing, and who practices in this state, repayment provided to~~  
 14 ~~a recipient under this section shall not exceed the resident~~  
 15 ~~tuition rate established for institutions of higher learning~~  
 16 ~~governed by the state board of regents for the first year~~  
 17 ~~following the registered nurse's graduation from a nursing~~  
 18 ~~education program approved by the board of nursing pursuant to~~  
 19 ~~section 152.5~~ six thousand dollars, or twenty percent of the  
 20 ~~registered nurse's total federally guaranteed Stafford loan~~  
 21 ~~amount under the federal family education loan program or the~~  
 22 ~~federal direct loan program, including principal and interest~~  
 23 ~~recipient's total qualified student loan, whichever amount is~~  
 24 ~~less. A registered nurse shall be recipient is eligible for~~  
 25 ~~the loan forgiveness repayment program for not more than five~~  
 26 ~~consecutive years.~~

27 ~~b.~~ The annual amount of nurse educator loan forgiveness  
 28 ~~shall not exceed the resident tuition rate established for~~  
 29 ~~institutions of higher learning governed by the state board~~  
 30 ~~of regents for the first year following the nurse educator's~~  
 31 ~~graduation from an advanced formal academic nursing education~~  
 32 ~~program approved by the board of nursing pursuant to section~~  
 33 ~~152.5, or twenty percent of the nurse educator's total~~  
 34 ~~federally guaranteed Stafford loan amount under the federal~~  
 35 ~~family education loan program or the federal direct loan~~

1 ~~program, including principal and interest, whichever amount~~  
 2 ~~is less. A nurse educator shall be eligible for the loan~~  
 3 ~~forgiveness program for not more than five consecutive years.~~

4 ~~4.~~ 5. Selection criteria. The commission shall establish  
 5 by rule the evaluation criteria to be used in evaluating  
 6 applications submitted under this section. Priority shall be  
 7 given to applicants who are residents of Iowa and, if requested  
 8 by the adjutant general, to applicants who are members of the  
 9 Iowa national guard.

10 6. Health care loan repayment fund. A ~~registered nurse and~~  
 11 ~~nurse educator health care loan forgiveness~~ repayment fund is  
 12 created for deposit of moneys appropriated to or received by  
 13 the commission for use under the program. Notwithstanding  
 14 section 8.33, moneys deposited in the health care loan  
 15 repayment fund shall not revert to any fund of the state  
 16 at the end of any fiscal year but shall remain in the loan  
 17 ~~forgiveness~~ repayment fund and be continuously available for  
 18 loan ~~forgiveness~~ repayment under the program. Notwithstanding  
 19 section 12C.7, subsection 2, interest or earnings on moneys  
 20 deposited in the health care loan fund shall be credited to the  
 21 fund.

22 ~~5.~~ 7. Report. The commission shall submit in a report  
 23 to the general assembly by January 1, annually, the number of  
 24 individuals who received loan ~~forgiveness~~ repayment pursuant to  
 25 this section, where the participants practiced or taught, the  
 26 amount paid to each program participant, and other information  
 27 identified by the commission as indicators of outcomes ~~from~~ of  
 28 the program.

29 ~~6.~~ 8. Rules. The commission shall adopt rules pursuant to  
 30 chapter 17A to administer this section.

31 EXPLANATION

32 The inclusion of this explanation does not constitute agreement with  
 33 the explanation's substance by the members of the general assembly.

34 This bill combines and repeals certain educational  
 35 assistance programs administered by the college student aid

1 commission for the benefit of registered nurses, physician  
2 assistants, advanced registered nurse practitioners, doctors of  
3 nursing practice, and nurse educators.

4 RURAL IOWA ADVANCED REGISTERED NURSE PRACTITIONER AND  
5 PHYSICIAN ASSISTANT LOAN REPAYMENT PROGRAM — FUNDS. The bill  
6 modifies the rural Iowa advanced registered nurse practitioner  
7 and physician assistant loan repayment program by prohibiting  
8 the commission from entering into any new program agreements on  
9 or after July 1, 2018; striking a provision to allow a person  
10 who entered into a program agreement to practice part-time;  
11 repealing the program July 1, 2023; and providing for the  
12 transfer of any balance in the rural Iowa advanced registered  
13 nurse practitioner and physician assistant trust fund on June  
14 30, 2023, to the health care loan repayment fund established  
15 for purposes of the health care loan repayment program.

16 COMBINED LOAN PROGRAM. The bill expands the current  
17 registered nurse and nurse educator program by adding advanced  
18 registered nurse practitioners, doctors of nursing practice,  
19 and physician assistants to the program. The bill changes the  
20 name of the program, and of the program fund, to the health  
21 care loan repayment program and the health care loan repayment  
22 fund.

23 To qualify for the program, applicants who are registered  
24 nurses, advanced registered nurse practitioners, doctors of  
25 nursing practice, or physician assistants must complete and  
26 return an affidavit of practice verifying that the applicant is  
27 or will be practicing full-time in a service commitment area  
28 in this state or is a nurse educator teaching full-time in  
29 this state. The affidavit must specify the service commitment  
30 area in which the applicant will practice as a condition of  
31 receiving loan repayment. Nurse educators are not required  
32 to teach in service commitment areas. An applicant who is a  
33 member of the Iowa national guard is exempt from the service  
34 commitment area requirement, but must submit an affidavit  
35 verifying the applicant is practicing in this state. The bill

1 defines a service commitment area as a city in Iowa with a  
2 population of less than 26,000 that is located more than 50  
3 miles from a city with a population of 50,000 or more.

4     Currently, the annual amount of loan repayment for a  
5 registered nurse or nurse educator shall not exceed the  
6 resident tuition rate established for regents universities or  
7 20 percent of the registered nurse's total federally determined  
8 loan amount, including principal and interest, whichever  
9 amount is less. The bill limits the annual amount of loan  
10 repayment to a program applicant to \$6,000 or 20 percent of  
11 the recipient's total qualified student loan, whichever amount  
12 is less. The bill defines qualified student loan as a loan  
13 that was made, insured, or guaranteed under Tit. IV of the  
14 federal Higher Education Act of 1965, as amended, or under  
15 Tit. VII or VIII of the federal Public Health Service Act, as  
16 amended, directly to the borrower for attendance at an approved  
17 postsecondary educational institution.

18     The commission is required to establish by rule the criteria  
19 to be used in evaluating applications, and to give highest  
20 priority to applicants who are residents of Iowa, then, if  
21 requested by the adjutant general, to applicants who are  
22 members of the Iowa national guard.